

TAMARA EPLIN

SAMAR

North Carolina Department of Environmental Quality

Pat McCrory
Governor

Donald R. van der Vaart
Secretary

NOTICE OF INSPECTION

October 26, 2015

Mr. Douglas A. Payne
149 Wood Duck Loop
 Mooresville, North Carolina 28117

Mr. Gary McKee
126 Hazelton Loop
 Mooresville, North Carolina 28117

Regency Lake Village ETAL
Attention: Peter J. Lomas, Reregistered Agent
158 Regency Road,
 Mooresville, North Carolina 28117

RE: Dam Name: Regency Lake Dam
State ID Number: IREDE-122
Hazard Potential Classification: Intermediate
County: Iredell

Dear Sirs:

The "Dam Safety Law of 1967," as amended, provides for the certification and inspection of dams in the interest of public health, safety, and welfare, in order to reduce the risk of failure of such dams; to prevent injuries to persons, damage to property; and to insure the maintenance of stream flows.

Our records indicate that you are the owner and/or responsible for the referenced dam, which is located off Hazelton Loop and was inspected on October 23, 2015 by personnel of the Land Quality Section. This inspection revealed the conditions outlined below. Please note that references to "right" and "left" in descriptions of the dam structure are referenced while looking in the downstream direction.

1. Trees and bushes are growing on the dam. This type of growth can cause problems and even failure of the dam by creating holes when trees are uprooted due to wind or ice; by leaving possible seepage holes when trees die and their roots decay; or by causing erosion of the dam around this growth should the

Division of Energy, Mineral, and Land Resources
Energy Section • Geological Survey Section • Land Quality Section
Mooresville Regional Office

610 East Center Avenue, Suite 301, Mooresville, North Carolina 28115

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dam overtop during heavy rains. This woody growth can also hinder inspection and provide habitat for burrowing animals. Therefore, we recommend that this type of growth be removed and a good grass cover be established on the dam.

Though it is not our policy to allow any trees to grow on a dam, it is recommended that all trees greater than six inches in diameter be left on the dam. Trees larger than six inches that are in poor shape or pose a threat to the structural integrity of the dam and need removal require the supervision of a registered professional engineer competent in the area of dam safety. Also, prior approval must be obtained from the Division of Energy, Mineral and Land Resources for the removal of trees greater than six inches in diameter. All trees less than six inches should be removed.

2. Trees and bushes are growing on the dam again. Though you have cut this growth off the dam in the past, it should be kept off by re-cutting periodically. After cutting, the laps and limbs should be removed from the dam and a good grass cover established and maintained.
3. Minor wave erosion was observed on the upstream side of the dam. It is recommended that you armor the area to prevent further erosion. Any excavation into the embankment for this purpose would require a repair plan prepared by a registered engineer competent in the area of dam safety and prior plan approval by this division.

Additionally, the following general maintenance procedures are recommended:

1. Maintain a ground cover sufficient to restrain accelerated erosion on all earthen portions of the structure.
2. Periodically remove undergrowth, woody vegetation, and trees less than six inches in diameter from the slopes and crest of the dam and establish a good grass cover. This will serve to:
 - a. prevent the formation of a root system which might significantly increase seepage through the dam which could ultimately result in failure of the structure;
 - b. reduce the possibility of damage to the dam due to the uprooting of trees by wind or other natural causes; and
 - c. facilitate ease of inspection and increase the likelihood of early detection of more serious problems connected with the dam.

Additional information on the problems associated with undesirable vegetation on dams can be found in free publications such as FEMA 534, *Impacts of Plants on Earthen Dams*. This document can be viewed online at <http://www.damsafety.org/media/Documents/PDF/fema-534.pdf>.

3. Periodically remove all trees from the emergency spillway. This will minimize the possibility of its capacity being reduced by the entrapment of debris, should the emergency spillway become active.

4. Periodically check the operation of all drain valve facilities. This will ensure satisfactory operation of the drains should an emergency situation arise.
5. Periodically monitor the subject dam and appurtenant works with respect to elements affecting its safety. This is in light of the legal duties, obligations, and liabilities arising from the ownership and/or operation of a dam.

During this inspection we also investigated the potential for property damage and loss of life in the event that your dam fails. This investigation determined that failure of your dam could result in severe property damage and/or possible loss of life downstream. We are listing your dam in the "Intermediate Hazard Potential" category due to the downstream location of docks and boats, which could be impacted by a sudden failure of the dam. Note that all hazard classifications are subject to change due to downstream conditions.

Please be advised that the Division of Energy, Mineral and Land Resources must approve any excavation, modification, or major repair work to this dam before the work commences. Also, note that this dam may not be breached, meaning the dam may not be drained by cutting a notch in the dam, without prior engineered breach plans being submitted to and approved by the Division of Energy, Mineral and Land Resources.

The "Dam Operation Maintenance and Inspection Manual" published by this Division provides inspection guidelines and recommended routine dam maintenance activities for the owner as well as emergency procedures in the event of possible dam failure. This document may be viewed online at <http://portal.ncdenr.org/web/lr/dams>.

Dam owners are required to submit their Emergency Action Plan by December 31, 2015, to the Division of Energy, Mineral, and Land Resources (DEMLR) and the Department of Public Safety (DPS) for review and approval. The preferred method of submittal is through the Department of Public Safety's online EAP Development Tool (see paragraph below). EAP's may also be submitted via e-mail attachment in Adobe protected document format (.pdf) using the editable template available for download at our program's website (<http://portal.ncdenr.org/web/lr/dams>) under "Planning for a Dam Emergency". Dam owners may also meet the legal requirement for EAP submittal by preparing their EAP using the editable template and transmitting three hard copies of their EAP to the Division of Energy, Mineral, and Land Resources, ATTN: Dam Safety Program, 1612 Mail Service Center, Raleigh, North Carolina 27699-1612.

The DPS online EAP Development Tool was developed using the DEMLR Dam Safety Program's EAP template and may be accessed via internet at <https://rmp.nc.gov/portal/> (click on the "Planning Tools" tab). It provides secure storage of EAP's while allowing online access to emergency responders in the event of a dam emergency. Technical questions regarding use of the tool should be directed to the Risk Management Section of the DPS Division of Emergency Management (portalnotifications@ncdps.gov). It is our goal to have all dam EAPs stored and updated using the online tool. Dam owners with approved EAPs in other formats will be encouraged to migrate to the online tool for EAP updates in the future. Please refer to the Dam Safety Program's website for additional guidance including Frequently Asked Questions. Questions specific to your dam or EAP preparation may be directed to our Dam Safety Program staff at (919) 707-9220.

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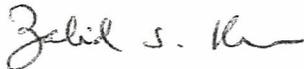
Although every reasonable effort is made to determine the safety of each dam, our resources generally limit us to a surficial inspection of the dam and its appurtenant structures. This letter carries no implication regarding the internal stability of the dam. Dams, and especially their spillways and conduits, deteriorate with age. You are therefore advised to keep a close watch on the dam and notify us if you detect any changes, especially cracks, ground movements, or changes in seepage rate or color.

In the event that a possible problem is found, you should contact a registered professional engineer competent in the area of dam safety and this Office to inspect the dam. If you have an emergency situation during non-office hours, you should notify 911 and the State Emergency Operations Center at 1 (800) 858-0368. They will notify the appropriate personnel in this Office of the situation.

Please be advised North Carolina General Statute 143-215.30 now requires the current owner of a dam to provide written notice of transfer to the Department within 30 days after title to the dam has been legally transferred. The notice of transfer shall include the dam and address of the new dam owner. If ownership of this dam has changed, please provide notification to this office with the dam name, its State ID number, new owner name, address and other contact information within 30 days of receipt of this letter.

Your cooperation and consideration in maintaining a safe dam is appreciated. Should you have any questions concerning our inspection, please contact me at (704) 663-1699.

Sincerely,



Zahid S. Khan, CPM, CPESC, CPSWQ
Regional Engineer
Land Quality Section

ZSK/CS